

**PROPOSAL PACKAGE**

**CC-DEVA003-07**

*Department of the Interior*

**National Park Service**

**Death Valley National Park**

**Stovepipe Wells and Scotty's Castle**

**Proposal to Operate Lodging, Food and Beverage and Retail Visitor Services  
Within Death Valley National Park**



## **PROPOSAL SUBMISSION TERMS & CONDITIONS**

- 1) The Proposal Package is drafted upon the assumption that an Offeror is the same legal entity that will execute the concession contract as the Concessioner. If the entity that is to be the Concessioner is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Concessioner have the ability and are legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the contract. In addition, the Offeror must unconditionally state and guarantee in its proposal that the Offeror will provide the Concessioner with all funding, management and/or other resources that the proposal offers
- 2) The Offeror's Transmittal Letter set forth below indicates your acceptance of the terms and conditions of the concession opportunity as set forth in this Prospectus. It indicates your intention to comply with the terms and conditions of the Contract. The letter must bear original signatures and be included in the Offeror's response package. The NPS will review the entire Proposal Package to determine whether your proposal in fact accepts without condition the terms and conditions of this Prospectus. If not, your proposal may be considered non-responsive, even though you submitted an unconditional Offeror's Transmittal Letter.



To: Jonathan B. Jarvis, Director  
Pacific West Region  
National Park Service  
1111 Jackson Street, Suite 700  
Oakland, California 94607  
  
Attention: Office of Concession Program Management

Dear Mr. Jarvis:

The Offeror hereby agrees to provide visitor services and facilities at Death Valley National Park, Stovepipe Wells and Scotty's Castle, in accordance with the terms and conditions specified in the draft Concession Contract No. DEVA003-07, provided in the Prospectus issued by the public notice as listed on [www.fedbizopps.gov](http://www.fedbizopps.gov) on July 14, 2006, and to execute the draft Concession Contract without substantive modification (except as may be required by the National Park Service pursuant to the terms of the Prospectus).

The Offeror is enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

The Offeror certifies that the information furnished herewith is complete, true, and correct to the best of its knowledge and belief and recognizes that false statements may subject the Offeror to criminal penalties under 18 USC 1001. The Offeror agrees to meet all the minimum requirements of the draft concession contract, and the Prospectus, and that the Offeror has provided all of the mandatory information specified in the Prospectus.

The Offeror certifies in accordance with 43 CFR Part 42 the following:

Any of the individuals or entities seeking participation in this Concession Contract are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from a public transaction by a federal department or agency.

Within the three years preceding submission of the Proposal, none of the individuals or entities seeking participation in this Concession Contract have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.

None of the individuals or entities seeking participation in this Concession Contract are presently indicted for or otherwise criminally or civilly charged by a federal, state or local unit of the government with commission of any of the offenses.

The individuals or entities seeking participation in this Concession Contract have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.

The Offeror, by submitting this Proposal hereby agrees, if selected for award of the new concession contract:

1. To the minimum requirements of the Prospectus as identified in Part A of this Proposal Package.
2. To complete the execution of the final Concession Contract within thirty working days after it is presented by the National Park Service.
3. To commence operations under the new concession contract on the effective date of the new concession contract.
4. To operate under the current Service-approved rates to visitors, until such time as amended rates may be approved by the Service.
5. To acquire the Other Property of the existing Concessioner under the terms of the existing concession contracts.
6. To resolve any dispute regarding the value of the property of the existing Concessioner in accordance with the terms of the existing concession contract and 36 CFR Part 51.
7. [Include only if the Offeror is not to be the Concessioner under the draft concession contract.] To provide the entity that is to be the Concessioner under the draft concession contract with the funding, management and other resources described in our proposal.

BY \_\_\_\_\_ DATE \_\_\_\_\_

(Type or Print Name)

ORIGINAL SIGNATURE \_\_\_\_\_

TITLE \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **CERTIFICATE OF CORPORATE OFFEROR**

(Offerors who are not corporations should skip this certificate)

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ of the corporation named as Offeror herein; that \_\_\_\_\_, who signed this proposal on behalf of the Offeror, was then \_\_\_\_\_ of said corporation; that said proposal was duly signed for and in behalf of the corporation by authority of its governing body within the scope of its corporate powers.

BY: \_\_\_\_\_ DATE \_\_\_\_\_

(Type or print name and date)

\_\_\_\_\_

Original Signature

TITLE \_\_\_\_\_

ADDRESS \_\_\_\_\_





## **PART A**

**The minimum requirements for the new concession contract are identified in this Part A of the Proposal Package. If the Offeror, in its transmittal letter, does not agree to these minimum requirements, the proposal will be considered non-responsive. A copy of Part A MUST be included in the Offeror's response package. (The requirements of Part B outline detailed subfactor submissions referenced in this part, as well as additional secondary selection factors.)**

### **PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA.**

The Offeror agrees to comply with all terms and conditions in the contract, including compliance with all applicable laws, including, without limitation, environmental protection and conservation laws, under the terms and conditions specified in the Concession Contract.

### **PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES.**

The Offeror agrees to comply with all the terms and conditions specified in the Concession Contract, including its exhibits.

The Offeror agrees to operate at the currently approved rates during the term of the Concession Contract until such time as a new rate schedule is approved by the Secretary, in accordance with 16 U.S.C. 5955. A selected Offeror may request a rate increase at any time after the selection of the best proposal is made by the National Park Service.

The Offeror agrees to accept the Concession Facilities, and any assigned government personal property "as is" as required by the draft Concession Contract, Section 8(f).

The Offeror agrees to carry out the required Concession Facilities Improvement Program according to the terms of the draft Concession Contract, including the time frames established by the Secretary.

The Offeror agrees to accept the "Repair and Maintenance Reserve" described in the draft Concession Contract, including the administrative responsibilities associated with the funds.

The Offeror accepts the draft Operating Plan included as Exhibit B of the draft Concession Contract.

The Offeror accepts the draft Maintenance Plan included as Exhibit H of the draft Concession Contract.

The Offeror agrees to implement an equal opportunity program and comply with the terms of the Equal Opportunity and handicapped access requirements of the draft Concession Contract.

The Offeror agrees to develop and implement an effective health and safety program (Risk Management Program), according to the requirements of the draft Operating Plan for such programs.

The Offeror agrees to meet the public liability and property insurance requirements of the draft Concession Contract and agrees to provide property and liability insurance of at least the types and levels of coverage described in the draft Concession Contract.

**PRINCIPAL SELECTION FACTORS 3 AND 4 DO NOT HAVE MINIMUM REQUIREMENTS FOR THIS PART. INFORMATION IS REQUIRED FOR PRINCIPAL SELECTION FACTORS 3 AND 4 IN PART B.**

**PRINCIPAL SELECTION FACTOR 5. THE AMOUNT OF THE PROPOSED MINIMUM FRANCHISE FEE, IF ANY, AND/OR OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR.**

The offeror agrees to at least the minimum Franchise Fee of:

**2.5 percent of Gross Receipts of \$4.5 million and under**

**7.5 percent of Gross Receipts over \$4.5 million, but less than or equal to \$5.5 million**

**12.5 percent of Gross Receipts over \$5.5 million.**

as provided in Selection Factor 5, and agree to pay any higher franchise fee offered in our proposal that may be accepted by the National Park Service.

## PART B

When evaluating each Selection Factor in Part B, the NPS may consider information contained throughout the offeror's proposal. However, offerors must provide the information required in Part B to be considered responsive.

Unless otherwise stated in a particular subfactor, all subfactors of each Selection Factor will be given equal weight in the evaluation of proposals with respect to the applicable Selection Factor.

Please note as the Offeror proposes financial commitments in response to any selection factor, the responses will be closely reviewed and analyzed against the Offeror's financial statements and supporting documents provided elsewhere in the proposal. Such documents reviewed and analyzed will include but not be limited to the prospective income statements, balance sheets, and cash flow statements required in the proposal.

### **PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA. (0 – 5 Points)**

*Note to Offeror: This selection factor is concerned with environmental objectives that relate specifically to the protection of the particular resources of the Park area. Environmental objectives for improvement of the natural environment in general (waste reduction, fuel efficiency, recycling, etc.) are addressed under secondary selection factor 1. Please avoid overlap between responses here and responses to secondary selection factor 1.*

*The particular objectives of this prospectus regarding the protection, conservation, and preservation of the resources of Death Valley are night sky conservation and water conservation.*

**Subfactor 1a. Night Sky Conservation:** Death Valley is well known as an area free of competing artificial lighting, which makes for clear skies and unimpaired views of stars, planets and other astronomical phenomena. Please outline specific steps you will take to manage light pollution caused by your operations. Also include a description of how you intend to measure and monitor the effectiveness of your actions, steps, and/or programs. (Recommended Maximum Response: 4 pages)

**Subfactor 1b. Water Conservation:** There are limited fresh water resources at Death Valley National Park. Therefore, it is important that the concessioner take all necessary steps to conserve water. Outline the specific steps you will take to ensure that all operations will be managed in such a way that water is used in a responsible manner at each site. How will you conserve water? Also include a description of how you intend to measure and monitor the effectiveness of your actions, steps, and/or programs. (Recommended Maximum Response: 4 pages)

**PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES. (0 -5 Points)**

The Park is interested in understanding how the provision of required services will occur over the term of the contract. The Park's goal is to provide high quality visitor services in a safe environment at reasonable rates.

**Subfactor 2a. Quality Guest/Employee Satisfaction.** The Service is committed to providing visitors a unique, informative, educational and relaxing experience. Quality guest service and visitor satisfaction are extremely important to the Service and Death Valley National Park and have been outlined within the Operating Plan. The hospitality industry has been creative and committed to developing and implementing incentive-based guest satisfaction programs. Please outline the intended program/practice the Offeror will implement to achieve the following two goals. (Recommended Maximum Response: 5 pages)

**Subfactor 2a-1: Guests.** How will you ensure a consistently high guest satisfaction level? Please describe any standard practices/programs you intend to create to foster and maintain high guest satisfaction at each location.

**Subfactor 2a-2: Employees.** How will you motivate and provide incentives for your employees to strive for the highest guest satisfaction that can be achieved? Incentives could be monetary and/or non-monetary in nature.

**Subfactor 2b. Quality and Diversity of Food Service:** The restaurants within Stovepipe Wells and the snack bar at Scotty's Castle are primary food service locations for guests visiting Death Valley. Each restaurant's clientele includes all ages and income levels. Please describe the proposed menus you would offer for each restaurant by meal period and price points for consideration. The Draft Operating Plan outlines certain menu requirements such as options that provide for a wide variety of visitors, including vegetarian entrees, heart-healthy entrees, light eater's entrees, and children's menus. (Recommended Maximum Response: 4 pages)

**Subfactor 2c. Quality of Marketing Plan:** The Park is very concerned that the concessioner develop an effective business plan to encourage park visitation and provide a quality visitor experience. In particular, the Park believes that a detailed marketing plan that recognizes, among other things, that the Park has historically attracted visitors from both the United States and abroad. Please provide a summary of your marketing plan for operating this concession, focusing on how you intend to market the opportunity. (Recommended Maximum Response: 5 pages.)

**Subfactor 2d. Death Valley Park Themes within Lodging, Food Service and Retail Visitor Services:** Death Valley National Park has an identified purpose and significance within the National Park Service. The Park desires that its significant attributes be highlighted throughout the visitor experience. Using the park significance statement provided below, provide examples of how the Offeror will reflect this theme within the visitor experience at Stovepipe Wells and Scotty's Castle, particularly in the guest rooms, as part of gift shop and mercantile merchandise and in menu design and offering. (Recommended Maximum Response: 5 pages)

- Death Valley is renowned for its exposed complex and diverse geologic features. The extremely colorful, complex, and highly visible geology and steep, rugged mountains and canyons provide some of the most dramatic visual landscapes in the United States. Death Valley National Park contains the lowest point in North America at 282 feet below sea level. The valley floor receives the least precipitation in the United States and is the site of the nation's second highest recorded temperature (134 degrees Fahrenheit).

**Subfactor 2e: Quality of Workforce.** The Service is interested in ensuring that quality service is offered to all visitors and recognizes that the value the Concessioner places on its workforce and the caliber of employees affects visitor experience. Recruiting, training and maintaining a quality workforce and providing adequate housing are significant concerns for this concession operation. Identify the efforts you will undertake to meet the objectives of recruiting, training and maintaining a quality workforce of both year-round and seasonal employees. (Recommended Maximum Response: 10 pages)

1. **Recruiting.**

- What career development opportunities will be available for year-round and seasonal staff?

2. **Training**

- Include information on the training to be required for employees including, but not limited to, hospitality training, food service training, on-the-job training, interpretive training, and manager training.

3. **Maintaining a Quality Workforce**

- How will employees be evaluated on job performance?
- What incentives will you provide for seasonal employees to complete their contracts and to return?
- Describe how you intend to house your employees and what recreational opportunities will be available to employees.

**PRINCIPAL SELECTION FACTOR 3. THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR, INCLUDING THE PAST PERFORMANCE AND EXPERTISE OF THE OFFEROR IN PROVIDING THE SAME OR SIMILAR VISITOR SERVICES AS THOSE TO BE PROVIDED UNDER THE CONCESSION CONTRACT. (0-5 Points)**

*Offeror's Organizational Structure.* Describe the entity with which the National Park Service will contract. Clearly define the Offeror's relationship to all superior and/or subordinate entities. Identify the entity, if one exists, that has the authority to allocate funds, hire, and fire management employees of the business entity that will hold the contract with the National Park Service. If this entity is a public corporation with a Board of Directors, provide information about the makeup and selection of the Board. Identify a majority shareholder or shareholder with controlling interest, if either exists.

Using the Business Organization Form located in the Proposal Package form section, identify and Offeror and each business organization, operator, and any parties involved in the management of the proposed concession operation. Use the form appropriate for your organization (Partnership, Sole Proprietorship, or Corporation) and include all information necessary to make the relationships among parties clear. When completed, the Business Organization and Credit Information form should convey the following information:

1. Identify the Offeror formally.
2. Explain the legal form and formal structure of the Offeror.
3. Identify and describe the owners of the Offeror, including, without limitation, all levels of parent organizations, their relationship to the Offeror, and the precise extent of their ownership interest.
4. Identify all related, subordinate, or superior business organizations and any other organizations, contractors, or subcontractors that will have a significant role in managing, directing, operating, or otherwise carrying out the services to be provided by the Offeror. Describe in detail how these relationships will work formally and in practice.
5. Identify how long the Offeror has existed as a legal entity.

Note: To assist in the evaluation of proposals under this and other selection factors, please provide the above information regarding your organizational structure. The National Park Service will not evaluate this information for selection purposes, but will use it to assess responses to the various selection factors.

***Subfactor 3a. Lodging Experience***

Please describe the Offeror's experience in the operation and management of lodging operations. For each operation discussed, please provide the following information: (Recommended length not to exceed two pages per reference for each operation; tabular summary presentations are acceptable)

- Facility name
- Facility location
- Number of rooms in property
- Number and capacity of any other services offered (restaurant, retail, recreation, etc.)
- Annual occupancy during most recent completed year/season
- Average daily rate achieved during most recent completed year/season
- Owner or Manager?
- Length of time under your management
- Brief Description of Operation
- All written evaluations or assessment of the Offeror's performance by any governmental entity that authorized or permitted the activity for the last five years. (Not included in recommended page response).

***Subfactor 3b. Food Service experience***

Please describe the Offeror's previous experience in the operation and management of food service operations similar to those required at Stovepipe Wells and Scotty's Castle. For each operation discussed, please provide the following information (Recommended length not to exceed two pages per operation; tabular summary presentations are acceptable)

- Facility Name and Location
- Type of food service (convenience, limited service, full service)
- Number of Seats
- Sample Menus by Meal Period
- Annual Number of Guests by Meal Period during most recent completed year/season
- Average Check achieved during most recent completed year/season
- Owner or Manager?
- Length of time under your management
- Brief Description of Operation

- All written evaluations or assessment of the Offeror's performance by any governmental entity that authorized or permitted the activity. (Not included in recommended page response).\

***Subfactor 3c. Human Resources***

**Subfactor 3c-1:** Provide organizational charts for both on- and off-site operations. Include Key Personnel positions comprised of the entire management involved in Contract oversight (e.g. General Manager, Hotel Manager, Food and Beverage Manager, Environmental Manager, Retail Manager, etc.) from on-site managers to owner(s). (Recommended Maximum Response: 5 pages).

- Include names of key personnel where possible, including any relevant industry designations (i.e., Certified Hotel Administrator, etc.)
- Identify role of all identified positions: duties, number of people supervised, estimated hours per week performing role and whether individual will be located on or off site.
- Identify decision-making authority of on-site managers.
- Identify the position and person, if known, with whom the Park will deal regarding day-to-day operations and issues.
- Include principal lines of authority between departments (planning, finance, administration, operations, maintenance, etc.) and managers

**Subfactor 3c-2:** Provide resumes for all key personnel according to the format depicted in the Resume/Individual Experience and Related Background form.



**BUSINESS ORGANIZATION INFORMATION**  
**PARTNERSHIP OR SOLE PROPRIETOR**

<b>Name of Entity</b>	
<b>Address</b>	
<b>Telephone Number</b>	
<b>Fax Number</b>	
<b>Email Address</b>	
<b>Contact Person</b>	
<b>Title</b>	
<b>Tax ID #</b>	
<b>Form of Business:</b> <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Other (please describe) _____	
<b>Years in Business</b>	

OWNERSHIP			
Names And Addresses Of Each Partner Or Sole Proprietor	Percentage of Ownership	Current Value of Business	Role in Providing Concession Services

**Attachment:**

Partnership Agreement(s)



**BUSINESS ORGANIZATION INFORMATION****CORPORATION**

*Complete separate form for the submitting corporation and the parent corporation (include all partners in a joint venture).*

<b>Name of Entity</b>	
<b>Address</b>	
<b>Telephone Number</b>	
<b>Fax Number</b>	
<b>Email Address</b>	
<b>Contact Person</b>	
<b>Title</b>	
<b>Tax ID#</b>	
<b>State of Incorporation</b>	
<b>Date of Incorporation</b>	

<b>OWNERSHIP</b>	<b>NUMBER AND TYPE OF SHARES OR PERCENTAGE OF OWNERSHIP</b>	<b>CURRENT VALUE OF INVESTMENT</b>
Names and Addresses of those with controlling interest or key principals of corporation		
<b>Total of All</b>		
<b>Total Shares Outstanding</b>		

<b>CORPORATE OFFICERS AND BOARD OF DIRECTOR</b>	<b>ADDRESS</b>	<b>TITLE AND/OR AFFILIATION</b>



**RÉSUMÉ**  
**INDIVIDUAL EXPERIENCE AND RELATED BACKGROUND**

**Name**

**Address**

**Telephone Number**

**Fax Number**

**Education, Degrees, Licenses, Designations, Special Skills**

**Name of Current Employer**

**Address**

**Nature of Business**

**Dates of Employment**

**Title of Positions Held Within the Past 5 Years**

**Description of Duties and Responsibilities (Include number of people supervised)**

**Proposed Role in Concession Service**

**Qualifications for that Role**

**Estimated Time per Week Dedicated to that Role**



**PRINCIPAL SELECTION FACTOR 4. THE FINANCIAL CAPABILITY OF THE OFFEROR TO CARRY OUT ITS PROPOSAL (0-5 Points)**

Note: In the event the Offeror is not the legal entity that is to be the Concessioner, provide the information described below with respect to both the Offeror (all partners in a joint venture) and the proposed Concessioner. Also describe the Offeror's financial relationship to the proposed Concessioner.

In Principal Selection Factor 4, subfactor 4d will be given greater weight than subfactors 4a, 4b, or 4c.

**Subfactor 4a.** Demonstrate that you are financially sound and have a history of meeting your financial obligations by providing the following:

1. The completed Business Credit Information form provided at the end of this section.
2. Audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Financial statements should be provided for the Offeror AND all parent companies. Personal financial statements must be provided for any owners of a sole proprietorship or general partners within a partnership.
3. A CURRENT credit report (within the last six months) from a major credit reporting company such as Equifax, Experian or Dunn & Bradstreet.

**Subfactor 4b.** Demonstrate your understanding of the financial obligations of the draft Contract by providing the following:

Provide your estimate of the acquisition and start-up costs of this business using the Acquisition and Start-Up Cost form included at the end of this section. Explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

**Subfactor 4c.** Demonstrate your ability to obtain the required funds by providing the following:

Identify the source(s) of the funds estimated above. Provide compelling documentation of your ability to obtain the funds from these sources. Explain fully the financial arrangements you propose, using the following guidelines:

1. Document each source and availability of all funds with your current audited financial statements, financing agreements, letters of commitment, or similar supporting documents.
2. If funds are to be obtained from lending institutions (banks, savings and loans, etc.), include a letter (addressed to the lender and containing all appropriate bank contact information) permitting the lender to release any information to the National Park Service concerning the financing arrangements of this opportunity. Include the contact name on the letter.

3. If funds are to be obtained from an individual, or a corporation whose primary fund source is an individual, provide the following as appropriate:
  - Current personal financial statement for the primary source of funds.
  - Documentation of any assets to be sold.
  - Written funding commitment from the individual or corporation.
  - Any other assurances or documentation that makes a compelling demonstration that the funds are available.

**Subfactor 4d.** Demonstrate that your proposal is financially viable. Using the Excel spreadsheets provided in the appendix (samples of these forms are located at the end of this section), and following the guidelines below, provide estimates of prospective revenues and expenses of the concession business in the form of annual prospective income and cash flow statements for the term of the Concession Contract. The Service has provided forms that request the information in the format it desires. These forms may differ from the format and requirements set forth in generally accepted auditing standards (GAAS) with regard to prospective financial statements. The Service does NOT request that the prospective financial statements be reviewed in accordance with GAAS. In situations where the information requested departs from GAAS, the Service requests that the information be provided in the format requested and NOT in conformance with GAAS.

Additional instructions regarding the forms:

1. State and incorporate the annual inflation rate and estimates of real growth you anticipate. Labor costs should be supported by a footnote identifying Full Time Equivalents (FTE) occupied for each operating department identified.
2. You may expand on the information requested on the form, but do not provide less, do not reduce the captions called for, and do not change the order of items.
3. Do not add or eliminate columns and rows on the Excel spreadsheets provided in the appendix. If you wish to provide additional information, do so in additional spreadsheets, outside of the ones provided. If additional information is provided, clearly identify how it fits into the income statement, cash flow, and/or assumption tables. Identify the fiscal year beginning and end dates (month and day) that the offeror proposes to operate within.
4. Provide a clear and concise narrative explanation of the method(s) used to prepare the estimates and the assumptions on which your projections are based. Information must be sufficiently detailed to allow a reviewer to determine the basis for the estimates and make a determination of whether or not the projections are realistic.
5. In particular, if you intend to assess a Management Fee, or other form of corporate overhead and profit, you must CLEARLY describe what this fee is comprised of (Officer salaries, human resources, accounting, marketing, profit, etc.).
6. Complete all of the forms provided and submit both a hard copy and an Excel spreadsheet file. Failure to provide all of the information requested on these forms may



result in a reduced score. Use the form included in the electronic version of the Operating Assumptions and Prospective Income Statement form provided in the appendix. The financial basis of any projections that show significantly increased revenues and/or decreased expenses from the projections provided in the Prospectus should be fully explained.

7. Only projected receipts and expenses related to the services “required” by the contract and those you choose to operate under “authorized” services are to be itemized and included in your prospective statements. Please clearly identify, by service type, all revenues associated with authorized services.
8. Please clearly identify your estimates for personal property replacement. Please clearly and thoroughly provide your assumptions and rationale.



### BUSINESS CREDIT INFORMATION

1. Has Offeror ever defaulted from or been terminated from a management or Concession Contract, or been forbidden from contracting by a public agency or private company?

? YES      ? NO

If YES, provide full details of the circumstances.

2. List any Foreclosures, Bankruptcies, and Transfers in Lieu of Foreclosure and/or Work-Out/Loan Modification Transactions during the *past 10 years*. (If none, so indicate)

Name of Property	City State	Property Type	Approximate Loan Amount	Lender	Year of Event

Attach an explanation of circumstances, including resolution, bankruptcy plan, and/or other documentation as appropriate.

3. Describe any fines or penalties levied by government agencies during the past 10 years. (If none, so indicate)
4. Describe any pending litigation or current lawsuits (other than those covered adequately by insurance) which if adversely resolved would materially impact the financial position of the Offeror.



### Acquisition and Startup Costs

<b>Acquisition Cost</b> <sup>(1)</sup>	\$ _____
Possessory Interest (Buildings and Structures)	\$ ____0____
Other Incumbent Concessioner Property	
Furniture, Fixtures and Equipment	\$ _____
Merchandise and Supplies	\$ _____
<b>Immediate Purchase of New Items</b>	\$ _____
Furniture, Fixtures and Equipment	\$ _____
Merchandise and Supplies	\$ _____
<b>Initial Improvements</b>	\$ _____
Contractual Building Program	\$ _____
Initial Replacement of Real Property <sup>(2)</sup>	\$ _____
Deferred Maintenance	\$ _____
<b>Other Soft Costs</b> <sup>(3)</sup>	\$ _____
<b>Initial Working Capital</b>	\$ _____
<b>Total Acquisition Cost</b>	\$ _____

(1) All Offerors must include their estimate of the value of all property intended for use in the new contract.

(2) If applicable

(3) Provide detail.



Company Name

CONCID

DEVA003

Prospective Income Statement

	2006	%	2007	%	2008	%	2009	%	2010	%	2011	
<b>Gross Revenue</b>												
Lodging	2,000,000	51.3%	2,060,000	51.3%	2,121,800	51.3%	2,185,454	51.3%	2,251,018	51.3%	2,318,548	
Food and Beverage	1,000,000	25.6%	1,030,000	25.6%	1,060,900	25.6%	1,092,727	25.6%	1,125,509	25.6%	1,159,274	
Retail	750,000	19.2%	772,500	19.2%	795,675	19.2%	819,545	19.2%	844,132	19.2%	869,456	
Service Station	50,000	1.3%	51,500	1.3%	53,045	1.3%	54,636	1.3%	56,275	1.3%	57,964	
RV Sites	50,000	1.3%	51,500	1.3%	53,045	1.3%	54,636	1.3%	56,275	1.3%	57,964	
Other	50,000	1.3%	51,500	1.3%	53,045	1.3%	54,636	1.3%	56,275	1.3%	57,964	
<b>Total Gross Revenue</b>	<b>3,900,000</b>	<b>100.0%</b>	<b>4,017,000</b>	<b>100.0%</b>	<b>4,137,510</b>	<b>100.0%</b>	<b>4,261,635</b>	<b>100.0%</b>	<b>4,389,484</b>	<b>100.0%</b>	<b>4,521,169</b>	
<b>Total Gross Receipts (if Different)</b>												
<b>Cost of Sales</b>												
Lodging	200,000	10.0%	206,000	10.0%	212,180	10.0%	218,545	10.0%	225,102	10.0%	231,855	
Food and Beverage	350,000	35.0%	360,500	35.0%	371,315	35.0%	382,454	35.0%	393,928	35.0%	405,746	
Retail	400,000	53.3%	412,000	53.3%	424,360	53.3%	437,091	53.3%	450,204	53.3%	463,710	
Service Station	25,000	50.0%	25,750	50.0%	26,523	50.0%	27,318	50.0%	28,138	50.0%	28,982	
RV Sites	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	
Other	10,000	20.0%	10,300	20.0%	10,609	20.0%	10,927	20.0%	11,255	20.0%	11,593	
<b>Total Cost of Sales</b>	<b>985,000</b>	<b>25.3%</b>	<b>1,014,550</b>	<b>25.3%</b>	<b>1,044,987</b>	<b>25.3%</b>	<b>1,076,336</b>	<b>25.3%</b>	<b>1,108,626</b>	<b>25.3%</b>	<b>1,141,885</b>	
<b>Gross Profit</b>	<b>2,915,000</b>	<b>74.7%</b>	<b>3,002,450</b>	<b>74.7%</b>	<b>3,092,524</b>	<b>74.7%</b>	<b>3,185,299</b>	<b>74.7%</b>	<b>3,280,858</b>	<b>74.7%</b>	<b>3,379,284</b>	
<b>Direct Expenses</b>												
<i>Lodging</i>												
Wages	400,000	20%	412,000	20%	424,360	20%	437,091	20%	450,204	20%	463,710	
Taxes and Benefits	75,000	4%	77,250	4%	79,568	4%	81,955	4%	84,413	4%	86,946	
Other Direct (specify line items in assumptions)	50,000	3%	51,500	3%	53,045	3%	54,636	3%	56,275	3%	57,964	
<i>Food and Beverage</i>												
Wages	350,000	35%	360,500	35%	371,315	35%	382,454	35%	393,928	35%	405,746	
Taxes and Benefits	25,000	3%	25,750	3%	26,523	3%	27,318	3%	28,138	3%	28,982	
Other Direct (specify line items in assumptions)	50,000	5%	51,500	5%	53,045	5%	54,636	5%	56,275	5%	57,964	
<i>Retail</i>												
Wages											27%	231,855
Taxes and Benefits											4%	34,778
Other Direct (specify line items in assumptions)											3%	23,185
<i>Service Station</i>												
Wages											20%	11,593
Taxes and Benefits											4%	2,319
Other Direct (specify line items in assumptions)											4%	2,319
<i>RV Sites</i>												
Wages											100%	11,593
Taxes and Benefits											20%	2,319
Other Direct (specify line items in assumptions)											20%	2,319
<i>Other</i>												
Wages	10,000	100%	10,300	100%	10,609	100%	10,927	100%	11,255	100%	11,593	
Taxes and Benefits	2,000	20%	2,060	20%	2,122	20%	2,185	20%	2,251	20%	2,319	
Other Direct (specify line items in assumptions)	2,000	20%	2,060	20%	2,122	20%	2,185	20%	2,251	20%	2,319	
<b>Total Direct Expenses</b>	<b>1,242,000</b>	<b>31.8%</b>	<b>1,279,260</b>	<b>31.8%</b>	<b>1,317,638</b>	<b>31.8%</b>	<b>1,357,167</b>	<b>31.8%</b>	<b>1,397,882</b>	<b>31.8%</b>	<b>1,439,818</b>	
<b>Undistributed Expenses</b>												
Administrative and General-Payroll, Taxes and Benefits	200,000	5.1%	206,000	5.1%	212,180	5.1%	218,545	5.1%	225,102	5.1%	231,855	
Administrative and General-Other	100,000	2.6%	103,000	2.6%	106,090	2.6%	109,273	2.6%	112,551	2.6%	115,927	
Marketing	100,000	2.6%	103,000	2.6%	106,090	2.6%	109,273	2.6%	112,551	2.6%	115,927	
Repair and Maintenance	100,000	2.6%	103,000	2.6%	106,090	2.6%	109,273	2.6%	112,551	2.6%	115,927	
Utilities	100,000	2.6%	103,000	2.6%	106,090	2.6%	109,273	2.6%	112,551	2.6%	115,927	
Management Fee	100,000	2.6%	103,000	2.6%	106,090	2.6%	109,273	2.6%	112,551	2.6%	115,927	
<b>Total Undistributed</b>	<b>700,000</b>	<b>17.9%</b>	<b>721,000</b>	<b>17.9%</b>	<b>742,630</b>	<b>17.9%</b>	<b>764,909</b>	<b>17.9%</b>	<b>787,856</b>	<b>17.9%</b>	<b>811,492</b>	
<b>Fixed Expenses</b>												
Property Taxes	50,000	1.3%	51,500	1.3%	53,045	1.3%	54,636	1.3%	56,275	1.3%	57,964	

Notes:

1. The Gross Revenue projection must be based on rates determined by the approval methods set forth in the draft Operating Plan as well as your operating assumptions outlined. **Please note that Gross Revenue does not equal Gross Receipts. Gross Receipts is defined in the Draft Contract.**
2. Numbers in the above table are illustrative only and do not imply the estimates made by the NPS. Offerors must fill in the electronic Income Statement form in the appendix with their own estimates.





Company Name

CONCID

DEVA003

Prospective Cash Flow Statement

										2014	2015
Operating											
Net Income										467	426,902
Adjustment											439,709
Depreciation										987	126,677
Amortization										494	63,339
Gain/Loss											65,239
Change in											
Other (des											
Net Cash										949	616,917
Financing											635,425
Dividend											
Notes Pay											
Other (des											
Net Cash Used in Financing Activities	(500,000)	(200,000)	(100,000)	-	-	-	-	-	-	-	-
Investment Activities											
Purchase of Possessory Interest/LSI	-										16000
Creation/Acquisition of New LSI	(15,000)										
Proceeds from sale of LSI											
Net cash used in investing activities	(15,000)	-	-	-	-	-	-	-	-	-	16,000
Total Cash Flow	(228,000)	301,610	416,658	532,158	548,123	564,566	581,503	598,949	616,917	651,425	

*Note: Numbers in the above table are illustrative only and do not imply the estimates made by the NPS. Offerors must fill in the electronic Cash Flow form in the appendix with their own estimates.*



**Company Name****CONCID****DEVA003****Assumptions****General**

Contract Start Date

Revenue Inflation

Expense Inflation

**Revenue Build Up****2006****2007****2008****2009****2010****2011****2012****2013****2014****2015****Lodging****Stovepipe Wells**

Number of Units

Days Open

Available Room Nights

Occupied Room Nights

Occupancy Percentage

Average Daily Rate

Annual Revenue

**Food and Beverage****Stovepipe Wells**

Number of Visitors

Average Check

Annual Revenue

**Scotty's Castle**

Number of Visitors

Average Check

Annual Revenue

Total Revenue

**SAMPLE****Retail****Stovepipe Wells**

Number of Visitors

Revenue per Visitor

Annual Revenue

**Scotty's Castle**

Number of Visitors

Revenue per Visitor

Annual Revenue

Total Revenue

**Service Stations**

Price per Gallon

Gallons Sold

Total Revenue

**Improved RV Sites**

Number of RV Sites Sold

Average Revenue per Site

Total Revenue

**Other Departmental Revenue**

Describe, including revenue estimates

*Note: The above table represents only a portion of the electronic file contained in the Assumptions form in the appendix. Offerors must fill in the electronic version with their projections.*



**PRINCIPAL SELECTION FACTOR 5. FRANCHISE FEE AND OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR (0-4 Points)**

The minimum franchise fee acceptable to the National Park Service is 2.5 percent of annual gross receipts up to and including \$4.5 million, 7.5 percent of annual gross receipts over \$4.5 million, but less than or equal to \$5.5 million, and 12.5 percent of annual gross receipts over \$5.5 million.

The offer of a higher franchise fee than this minimum is generally beneficial to the Service and accordingly generally will result in a higher score under this selection factor. However, consideration of revenue to the United States will be subordinate to the objectives of protecting, conserving, and preserving resources of the park area and of providing necessary and appropriate visitor services to the public at reasonable rates.

State the franchise fee that you propose. Such fee must at least equal the minimum franchise fee set forth above. Express this fee as a percentage of annual gross receipts. Should you desire to offer a higher franchise fee, that offer must reflect an equal increase in the percentage fee at each valence point. For instance, if you offer a fee of 3.5 percent of gross receipts up to and including \$4.5 million, then the other percentages must increase by the same amount (7.5 percent changes to 8.5 percent, and 12.5 percent adjusts to 13.5 percent). You may not change the gross receipt thresholds established at each valence point. Be advised that the franchise fee you proposed must be supported by the financial estimates provided in response to Primary Selection Factor 4.

\_\_\_\_\_ % Percent

## SECONDARY SELECTION FACTORS

**SECONDARY SELECTION FACTOR 1. THE QUALITY OF THE OFFEROR'S PROPOSAL TO CONDUCT ITS OPERATIONS IN A MANNER THAT FURTHERS THE PROTECTION, CONSERVATION AND PRESERVATION OF PARK AREA AND OTHER RESOURCES THROUGH ENVIRONMENTAL MANAGEMENT PROGRAMS AND ACTIVITIES, INCLUDING, WITHOUT LIMITATION, ENERGY CONSERVATION, WASTE REDUCTION, AND RECYCLING. (Scoring: 0-3 Points)**

*Note to Offeror:* This secondary selection factor focuses on environmental management programs and activities that promote general environmental objectives such as waste reduction, fuel efficiency, recycling, etc. Please avoid overlap between your response here and your response to Principal Selection Factor 1.

**Secondary Subfactor 1a. Solid Waste Management:** In order to reduce the amount of solid waste requiring disposal by the concessioner for environmental protection and cost savings reasons, the Park would like to see the Concessioner take a leading role in establishing an integrated solid waste management program that addresses solid waste management, recycling and waste reduction.

Describe how you would implement a waste reduction program designed to prevent or decrease the amount of waste being generated through waste prevention, or purchasing recycled and environmental preferred products. Outline the goals the Offeror would set for establishing recycling programs that may support a larger community effort (including cooperation with other hospitality or community operations in or near the park), and provide the specific targets (measurable results and schedules) to achieve these goals. Additionally, describe the support infrastructure (education, signage, recycling containers, etc.) that will be used to assist in this effort. (Recommended Maximum Response: 5 pages)

**Secondary Subfactor 1b.** The Park would like the concessioner to take a leading role in utilizing sustainable energy technologies. Examples of this could include solar heating of water for the swimming pool and/or guest and employee rooms and energy conservation measures. Please describe your specific plans for implementing measures to enhance this aspect of the operation. (Recommended Maximum Length: 3 pages)

**SECONDARY SELECTION FACTOR 2. THE QUALITY OF THE OFFEROR'S PROPOSAL IN DEVELOPING AN IMPROVED FOOD CONCEPT FOR SCOTTY'S CASTLE. (0-3 Points)**

The NPS is interested in streamlining the food and beverage operation to be feasible within the housing constraints, which will accommodate 3-4 employees. This may be accomplished within several frameworks, such as utilizing microwaves ovens and frozen products or by self-contained hot vending machines. Please develop an option for a quicker serve menu with increased variety and suggested changes/improvements to trade dress (see operating plan menu guidelines for food and beverage) to better meet the needs of these guests. (Recommended Maximum Length: 3 pages)